**Withdrawal of budgetary support to Khadi and Village Industries**

1533. SHRI H. HANUMANTHAPPA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that the Government propose to withdraw budgetary support to Khadi and Village Industries Sector thereby throwing lakhs of workers out of the industry; and

(b) if so, what are the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF SMALL SCALE INDUSTRIES AND AGRO & RURAL INDUSTRIES) AND THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. J. KURIEN): (a) and (b) There is no such proposal with the Government to withdraw budgetary support to Khadi and Village Industries Sector. The Plan allocation to this Sector during the last three years as well as the proposed allocation for the current financial year are given below:—

*Plan allocation to KVI Sector*

(Rs. in crores)

| 1989-90 (Actual) | 1990-91 (Actual) | 1991-92 (Actual) | 1992-93 (Proposed) |
|---|---|---|---|
| 175·00 | 186·00 | 193·00 | 191·00 |

Thus it may be seen that the Government is according priority to KVI Sector and is providing adequate budgetary support to this Sector.

**Ignorance of PSU's by Southern States**

1534. SHRI SUKOMAL SEN: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that PSUs are being ignored by Southern State Governments;

(b) whether Government's of Tamil Nadu and Karnataka had favoured private sector units at the cost of PSU in matter of awarding contracts, despite submitting lowest bid; and

(c) if so, the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF HEAVY INDUSTRY AND DEPARTMENT OF PUBLIC ENTERPRISES) (SHRI P. K. THUNGON): (a) No, Sir.

(b) and (c) Briefly the position is as follows:

I. *Package I & II of the Coal Handling Plant of North Madras Thermal Power Station of TNSEB against global tender.*

Out of the 10 offers received by the Project Authorities with reference to the above project, MAMC was one of them. It is understood that first three lowest offers were short-listed by the Project Authorities in which MAMC was L-1. On a reference from the Department of Heavy Industry for awarding the above project in favour of MAMC, the State Government had observed that MAMC quoted liquidated damages at 0.5 per cent per week subject to a maximum of 5 per cent as against requirement of 0.1 per cent per day to a maximum of 10 per cent in the specification. When MAMC offered to provide such a clause as per ADB's specification, the ADB did not agree to this proposal, since the acceptance of MAMC was considered to be a post tender offer. Hence State Government's efforts to get the approval of ADB for placing the order on MAMC for this project was not successful.

II. *Package I Group C of Coal Handling Plant for Raichur TPS Unit—4 1x210 MW, Spec. No. G-94-C-563—II aided by OCF, Japan.*

MAMC submitted an offer in May, 1991 against global bid invited by Karnataka Power Corporation Ltd.,

Bangalore for the above project. It was understood that after evaluation of technical and commercial offers, the price bid was opened in September, 1991 and MAMC was L-1 out of 8 tenderers. On a reference from MAMC the Department of Heavy Industry took up the matter with the State Government in December, 1991 for placement of above order on MAMC. The financial soundness of MAMC was also emphasised to the State Government for consideration of their offer. A response from the State Government is still awaited.

**Substitute for cement from flyash**

1535. DR. ABRAR AHMED: Will the PRIME MINISTER be pleased to state:

(a) whether some Indian technologists have developed a cheaper substitute for cement from flyash, a waste generated by coal based thermal power plants, which can reduce construction cost and also reduce pollution substantially;

(b) if so, whether Government propose to try this cheaper cement for construction purposes on experimental basis; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (DEPARTMENT OF INDUSTRIAL DEVELOPMENT) (SHRIMATI KRISHNA SAHI): (a) to (c) There are many technologies well known for using flyash either as binder in combination with the lime or a binding material in the manufacture of Portland Pozzolana Cement (PPC). PPC is already being manufactured by a large number of existing cement companies and is being used for construction purposes.

1536. [*Transferred to 28th July, 1992*]

**संयुक्त राज्य अमरीका और अरब देशों में खादी और ग्रामोद्योग के बिक्री केन्द्र**

1537. **श्री विश्वासराव रामराव पाटिल** : क्या प्रधान मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार को अरब देशों और संयुक्त राज्य अमरीका की फर्मों से उन देशों में खादी और ग्रामोद्योगों के बिक्री केंद्र खोलने के प्रस्ताव प्राप्त हुए हैं ;

(ख) यदि हां, तो उनका ब्यौरा क्या है ; और

(ग) इस मामले में सरकार ने क्या निर्णय लिया है ?

**उद्योग मंत्रालय (लघु उद्योग और कृषि तथा ग्रामीण उद्योग विभाग) में राज्य मंत्री और वाणिज्य मंत्रालय में राज्य मंत्री (श्री पी० जे० कुरियन)** : (क) और (ख) के. वी. आई. सी. को मस्कट में खादी ग्रामोद्योग भवन खोलने के लिए मस्कट, ओमान की सल्तनत की एक फर्म से एक प्रस्ताव प्राप्त हुआ है । के.वी.आई.सी. को बिक्री केंद्र खोलने के लिए यू.एस.ए. से कोई प्रस्ताव प्राप्त नहीं हुआ है । उद्योग ने मस्कट की एक फर्म से प्राप्त उक्त प्रस्ताव पर अभी तक विचार नहीं किया है ।

(ग) प्रश्न नहीं उठता ।

1538. [*Transferred to 28th July, 1992*].

**Financial crisis in BHEL's Hyderabad unit**

1539. SHRI P. UPENDRA: Will the PRIME MINISTER be pleased to state:

(a) whether the Bharat Heavy Electricals Limited at Hyderabad is facing acute financial crisis; and

(b) if so, the reasons for the present state of the unit and the steps